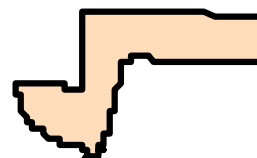
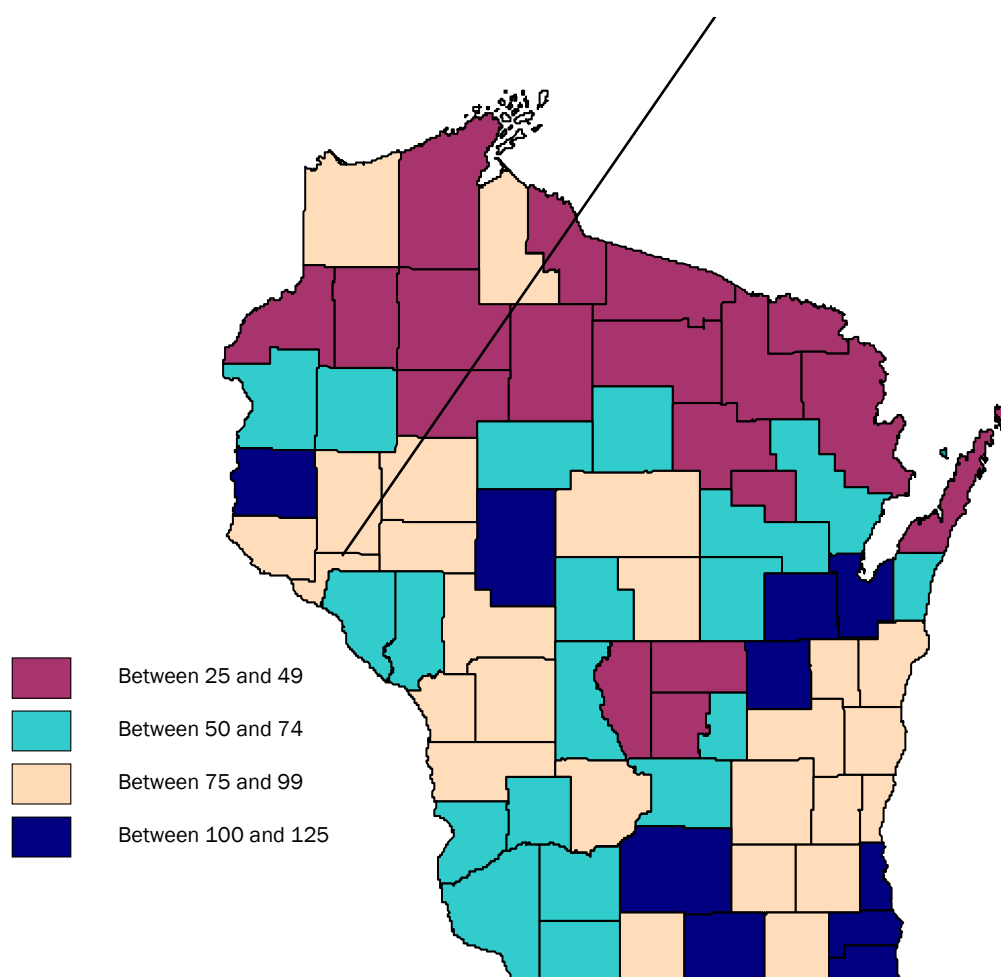


# Pepin County Workforce Profile



The number of residents aged 25-29 years for every  
100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



## County Population

Beginning in 2000 the population in Pepin County has increased at a faster pace than in the nation and Wisconsin and it out-paced both again in 2004. The most recent increase ranked the county 13<sup>th</sup> fastest growing among the state's 72 counties. From Census 2000 to January 2004 the population in Pepin County increased 4.9 percent by adding 355 residents.

Each of the eleven municipalities reported an increase in resi-

### Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
<b>United States</b>	281,421,906	292,287,454	10,865,548	3.9%
<b>Wisconsin</b>	5,363,715	5,532,955	169,240	3.2%
<b>Pepin County</b>	7,213	7,568	355	4.9%
<b>Largest Municipalities</b>				
Durand, City	1,968	1,976	8	0.4%
Pepin, Village	878	925	47	5.4%
Waterville, Town	859	872	13	1.5%
Lima, Town	716	731	15	2.1%
Durand, Town	694	706	12	1.7%
Albany, Town	620	702	82	13.2%
Pepin, Town	580	627	47	8.1%
Waubeek, Town	364	396	32	8.8%
Frankfort, Town	362	364	2	0.6%
Stockholm, Town	75	170	95	126.7%

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

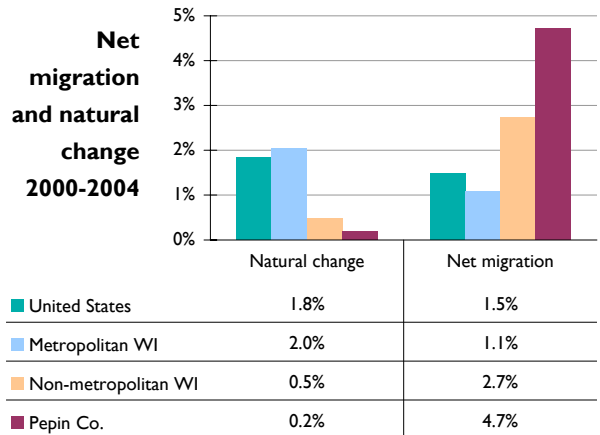
dents and five of the ten largest municipalities out-paced the percent increase of the county. These municipalities, as well as the county, are growing so fast because they attract new residents who migrate to the area.

In fact, nearly all of the increase in this county's population is attributed to net migration, more people moving to the county than leaving the county. The migration rate in Pepin County of 4.7 percent was nearly three times the Wisconsin rate of 1.6 percent and exceeded the rate of other non-metropolitan counties in Wisconsin. A significant share of the net migration to non-metropolitan counties occurs in counties adjacent to metro areas and the state's borders and Pepin County benefits from both. The new residents who move to the county are in the middle age groups and are either bringing or beginning families.

The number of births in the county barely exceeded the number of deaths from 2000 to

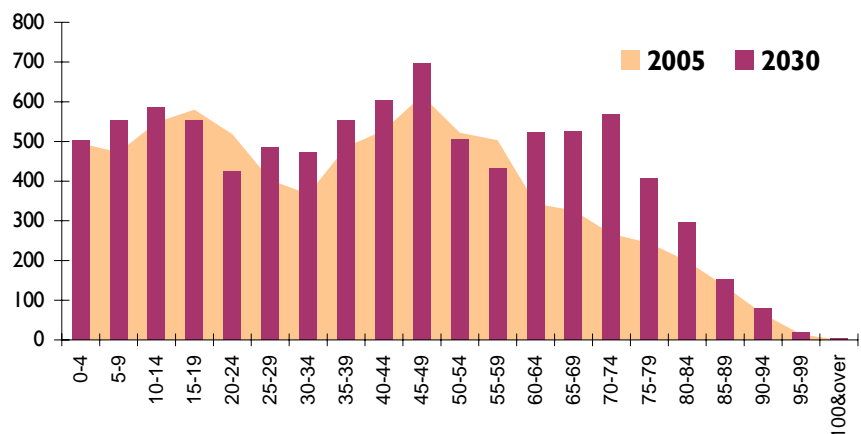
2004, but the fertility rate (see glossary) in Pepin County of 60.4 is higher than the state rate of 58.7 and ranked 25<sup>th</sup> highest in the state. Population projections incorporate both trends and forecast a future where the number of middle-aged residents will be larger than in 2005.

In spite of an increase in middle-aged residents, the share of residents over the age of 60 will still be greater. Roughly 21 percent of the population is currently over 60 years old and by 2030 that share will expand to 29 percent. But 34 percent of the current population is under 25 years old and that will shrink to 29 percent by 2030. This trend is dramatized in the bottom graph where the 'hill' in the background created by baby-boomers, those currently 40-59 years old, shifts right, but a new generation by 2030 moves in to replace them. The trend in Pepin County is still toward an older population that will outnumber a younger population, but the gap is much smaller than other rural Wisconsin counties.



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

### Population by Age Groups in Pepin County



Source: WI Dept. of Administration, Demographic Services

## Future Population and Labor Supply

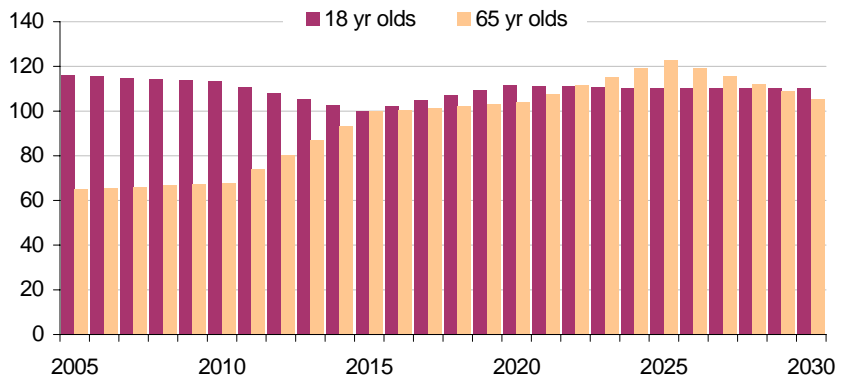
The impact of an aging population is perhaps more obvious in terms of services that they will require, but it also impacts the availability of labor. Assuming that 65 years old represents an average age of retirement and that 18 years old represents high school graduation then a plot of the number of these residents points to a time when the first group exceeds the second group in number. That convergence occurs for the first time in 2015 in Pepin County.

As residents age their participation in the labor force declines. Labor force participation rates (LFPR, see glossary) among the population 25 to 50 years of age are near 90 percent in Pepin County. But after 55 years the LFPR begins to drop and by 60 years it is near 65 percent. The number of residents may increase, but as the population ages the labor force will decline.

Although county population growth will slow, it is not projected to decline during this projection period. The increase in migration is partially responsible for the current expansion in labor force but this growth is not projected to continue through 2020. As a greater share of the population turns 50 years old, an age when labor force participation drops off, increases in the size of the labor force are projected to slow. The three columns in the chart on the right illustrate labor force composition and size. Most notable is the increasingly larger sections representing workers over 65 years in the top sections.

This projection uses national assumptions that included a

**Convergence of 18 & 65 year old population in Pepin County**

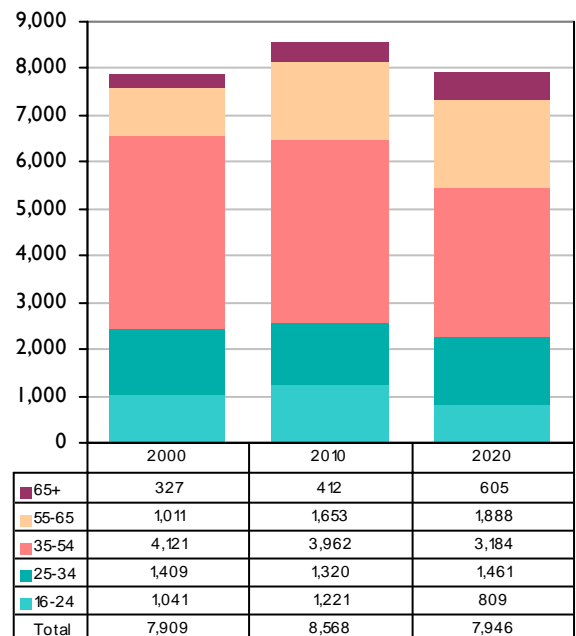


Source: WI Dept. of Administration, Demographic Services

slight increase in the participation rates of older residents, but it did not factor in the declining participation rates of white residents; and the population in Pepin County is 99 percent white.

Two broad scenarios arise from the disparity in age and ethnicity: 1) there will be labor shortages due to retirements and the lack of replacement workers especially in occupations that rely on younger workers or require specialized skills; and 2) the aging population will impact the economy as the elderly demand changes in the types of goods and services provided in local communities.

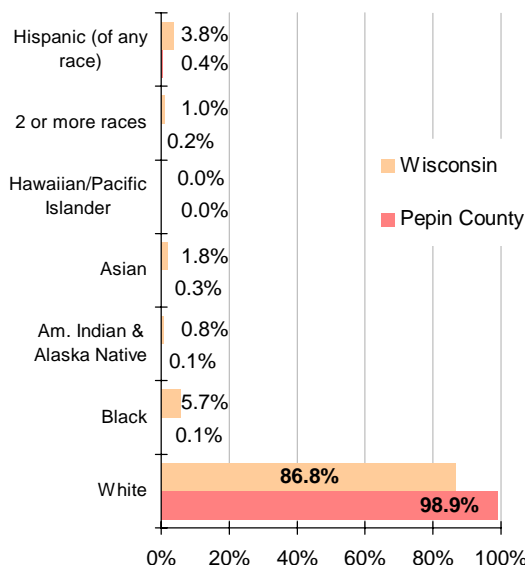
**Price County Labor Force Projections by Age**



Decade change	-5.7%	8.3%	-7.3%
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Source: DWD, Office of Economic Advisors, August 2004

**Race and ethnic distribution**



Source: U.S. Census Population Characteristics Estimates, 2002

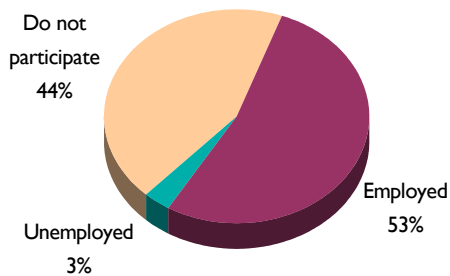
## Current Labor Force

Labor force participation represents the share of population that is 16 years old and older that is either employed or unemployed. Participation rates in Wisconsin and the United States in 2003 were 72.9 and 66.3 percent, respectively.

The estimated participation rate in Pepin County 56.4 percent is based on trends from the previous decade and will likely increase when estimates are revised in 2005 to reflect current population trends. Currently, that means that 44

unemployed. That, in turn, will produce lower unemployment rates. The fact that there were fewer new entrants to the labor force during the last recession is one of the reasons unemployment rates remained as low as they did. The unemployment rate in Pepin County in 2003 was 6.0 percent compared to a 11.4 percent unemployment rate following the 1981-82 recession when the baby-boomers were entering the labor force in droves.

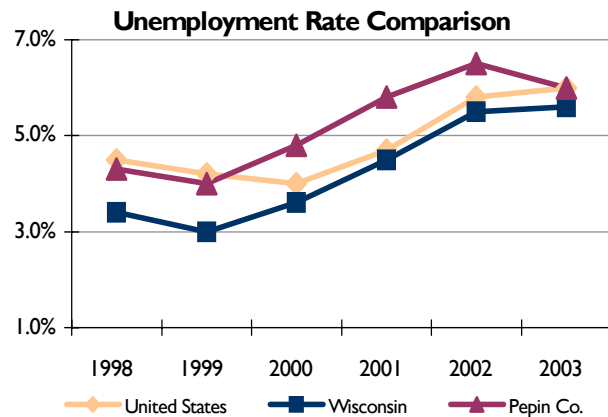
**Labor force participation in Pepin County**



Source: DWD, Office of Economic Advisors, July 2004

percent of the population 16 years old and older did not participate. This includes some students and individuals who choose not to work, including retirees. As the population ages, more retirees will be included in the non-participating category by choosing not to work and the overall labor force participation rate will decline.

There will also be fewer new entrants to the labor force who are seeking first-time jobs and, consequently, fewer included among the



**Pepin County Civilian Labor Force Data**

	1998	1999	2000	2001	2002	2003
Labor Force	3,427	3,174	3,175	3,215	3,195	3,201
Employed	3,280	3,047	3,023	3,028	2,986	3,008
Unemployed	147	127	152	187	209	193
Unemployment Rate	4.3%	4.0%	4.8%	5.8%	6.5%	6.0%

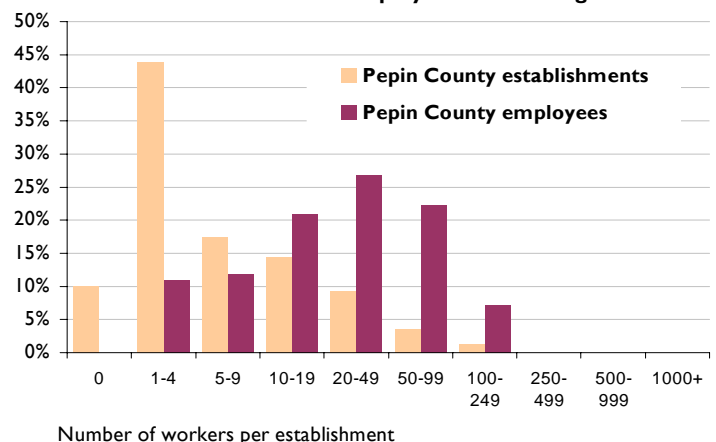
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

## Employers by Size

Nationwide, about 80 percent of the employers have fewer than 20 employees. In the State of Wisconsin the share of employers with fewer than 20 workers jumps to 85 percent and in Pepin County it increases to 86 percent. In contrast the share of jobs provided by employers with fewer than 20 employees is much smaller. In the nation, 27 percent of the jobs are with employers with fewer than 20 workers, in Wisconsin that drops to 22 percent, but in Pepin County 44 percent of jobs, 960 out of 2,200, are with employers in this size range.

Nearly half of the jobs in Pepin County, 49 percent, are with employers with 20-99 jobs, however, only thirteen percent of the employers are in this size range. The average employer in Pepin County has 10 employees, compared with 17 employees in Wisconsin and 13 in the United States.

**Share of establishments & employees in size range in 2003**



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

## Industry & employers by size

Four of the ten largest employers in Pepin County have more than 100 workers and two are in the public sector. Also among the top ten employers are two school districts and partially explains why educational services is at the top of the industry list. However, the data for education services is suppressed because there are fewer than three employers. The list also includes two employers from the health care

industries that are included in the top industry list.

Although there is one employer on the list representing food services and drinking places most of the employers are small. The industry, however, is the second largest industry in the county because together those employers provide over 140 jobs in the county. Employers in this industry have an average of seven workers.

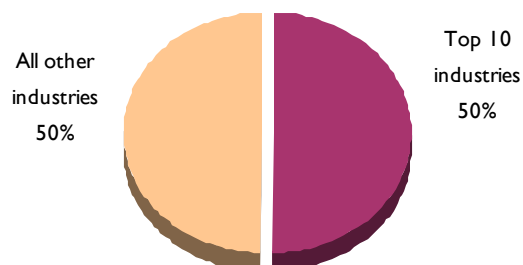
### Top 10 Industries in Pepin County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Educational services	suppressed	suppressed	not avail.	not avail.
Food services & drinking places	19	142	-18	-47
Hospitals	suppressed	suppressed	not avail.	not avail.
Merchant wholesalers, nondurable goods	7	120	15	not avail.
Motor vehicle & parts dealers	8	107	5	7
Nursing & residential care facilities	suppressed	suppressed	not avail.	not avail.
Merchant wholesalers, durable goods	5	71	-12	-18
Gasoline stations	4	63	0	-18
Construction of buildings	9	60	-12	-17
Executive, legislative, & gen government	6	56	6	-2

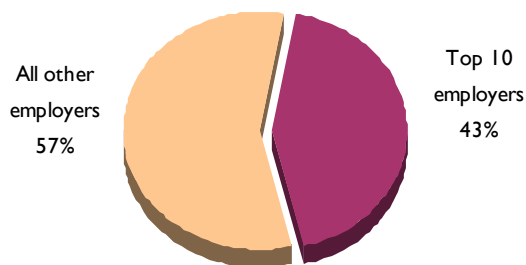
### Top 10 Employers in Pepin County

Establishment	Product or Service	Size (Dec. 2003)
School District of Durand	Elementary and secondary schools	100-249 employees
Bauer Built Inc.	Tire dealers and convenience stores	100-249 employees
Chippewa Valley Hosp. & Oakview Care Center	General medical and surgical hospitals	100-249 employees
County of Pepin	Executive, legislative, & gen. government offices	100-249 employees
Countryside Coop.	Gasoline stations with convenience stores	50-99 employees
Pepin Manor	Nursing care facilities	50-99 employees
Pepin Public School	Elementary and secondary schools	50-99 employees
Erickson IGA	Supermarkets and other grocery stores	50-99 employees
Durand Builders Service Inc.	Industrial building construction	20-49 employees
Pickle Factory	Full-service restaurants	20-49 employees

Share of jobs in top 10 industries in Pepin County



Share of Pepin County jobs with top 10 employers



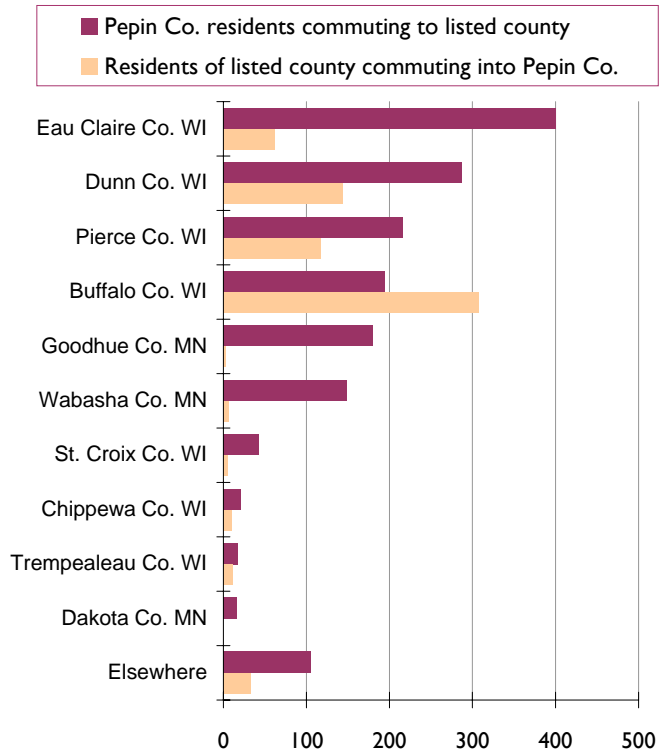
## Commuting

The commuting interaction that Pepin County has with surrounding counties shows a net outflow of 930 workers, meaning that more workers travel out of the county for jobs than travel into the county from other areas.

In Pepin County, 1,631 residents, 46 percent of the workers who live in the county, traveled out of the county for a job. One in every four workers who left the county headed for destinations in Minnesota, especially to employers in the City of Red Wing in Goodhue County and the cities of Wabasha and Lake City in Wabasha counties.

Most workers who leave the county, though, are headed for jobs in Eau Claire, Dunn and Pierce counties in Wisconsin. For residents in eastern Pepin County the primary destinations are the cities of Eau Claire and Menomonie. Those traveling to Pierce County are headed for Plum City or the Town of Trenton. The fact that so many residents travel out of the county for a job is one of the reasons that the labor force in Pepin County is greater than the number of jobs with county employers.

Employers in Pepin County do attract roughly 700 workers from neighboring counties. Most of those workers are from Buffalo County although a fair number also travel from Dunn and Pierce counties. The primary destination of incoming workers is employers in the City of Durand.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

## Key occupations & wages

The jobs in Pepin County share some characteristics with neighboring counties and those similarities were used to define a labor supply area. This list includes wages for some of the occupations with the most employment in that area. It is significant because these 20 occupations provide approximately 31,400 jobs, or 37 percent of total employment in the combined county area.

Each occupation includes a mean (average) and median (50<sup>th</sup> percentile) hourly wage probably the most frequently requested wage information. If the mean and median are relatively close the labor market for that occupation is probably tight.

Eleven of the 20 occupations typically require only short-term training and, for the most part, have a mean hourly wage under \$11/hour. There are also jobs on this list that typically require only moderate to long-term training periods and have mean wages that exceed \$11/hour. Four of the occupations typically require college degrees and their wages are much higher.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 <sup>th</sup>	50 <sup>th</sup>	75 <sup>th</sup>
Truck drivers, heavy & tractor-trailer	\$22.58	\$16.30	\$23.73	\$27.76
Retail salespersons	\$9.70	\$6.94	\$8.36	\$10.80
Cashiers	\$7.52	\$6.33	\$7.24	\$8.44
Team assemblers	\$11.65	\$9.73	\$11.75	\$13.38
Comb. food prep. & serving workers (fast food)	\$7.38	\$6.20	\$7.13	\$8.31
Nursing aides, orderlies, & attendants	\$10.12	\$9.05	\$10.09	\$11.15
Waiters & waitresses	\$8.05	\$6.07	\$6.89	\$8.71
Janitors & cleaners, except maids & hskpg. cleaners	\$10.56	\$8.71	\$10.54	\$12.46
Bookkeeping, accounting, & auditing clerks	\$12.23	\$9.75	\$12.02	\$14.44
Office clerks, general	\$10.28	\$8.00	\$10.28	\$12.39
Secretaries, except legal, medical, & executive	\$11.74	\$9.99	\$11.79	\$13.49
Stock clerks & order fillers	\$10.18	\$7.74	\$10.39	\$12.25
Elem. school teachers, except special ed.	-	-	-	-
Registered nurses	\$23.55	\$19.41	\$22.19	\$26.01
Sec. school teachers, except special & voc. ed.	-	-	-	-
Teacher assistants	-	-	-	-
Carpenters	\$15.55	\$12.67	\$15.35	\$17.50
Laborers & freight, stock, & material movers, hand	\$10.51	\$8.15	\$10.09	\$12.47
Bartenders	\$8.58	\$7.00	\$7.77	\$8.58
General & operations managers	\$38.59	\$22.87	\$32.53	\$47.57

Pepin County is part of an area which includes Buffalo, Dunn, Pepin, Pierce, Polk, St. Croix and Trempealeau counties.

Source: DWD, Office of Economic Advisors, special tabulation using EDS and OES 2003

## Employment and Wages

The change in the number of payroll jobs in Pepin County was insignificant from 2002 to 2003. The loss of just two jobs in the county resulted in a -0.1 percent change compared with the change of -0.2 percent in Wisconsin. However, some industries did lose more jobs. Manufacturing employment declined 13.5 percent with the loss of 22 jobs, the largest reduction in the county. This followed the trend in the state where manufacturing employers also sustained the greatest loss of jobs.

Leisure and hospitality employers, with the addition of 23 jobs, produced the greatest increase in jobs of 11.9 percent. Wages with leisure and hospitality employers, however, are only 71 percent of wages statewide for similar work and the average annual wage of \$8,536 is paid to only ten percent of workers. In spite of two industries with average wages exceeding \$41,000 the overall average wage in the county of \$24,872 was only 74 percent of the state average.

Several factors influence average wages in industries including average workweek (full or part-time), seasonal and temporary employment, job tenure (those with more seniority are paid more than new hires), and occupation composition (professional

### Average Annual Wage by Industry Division in 2003

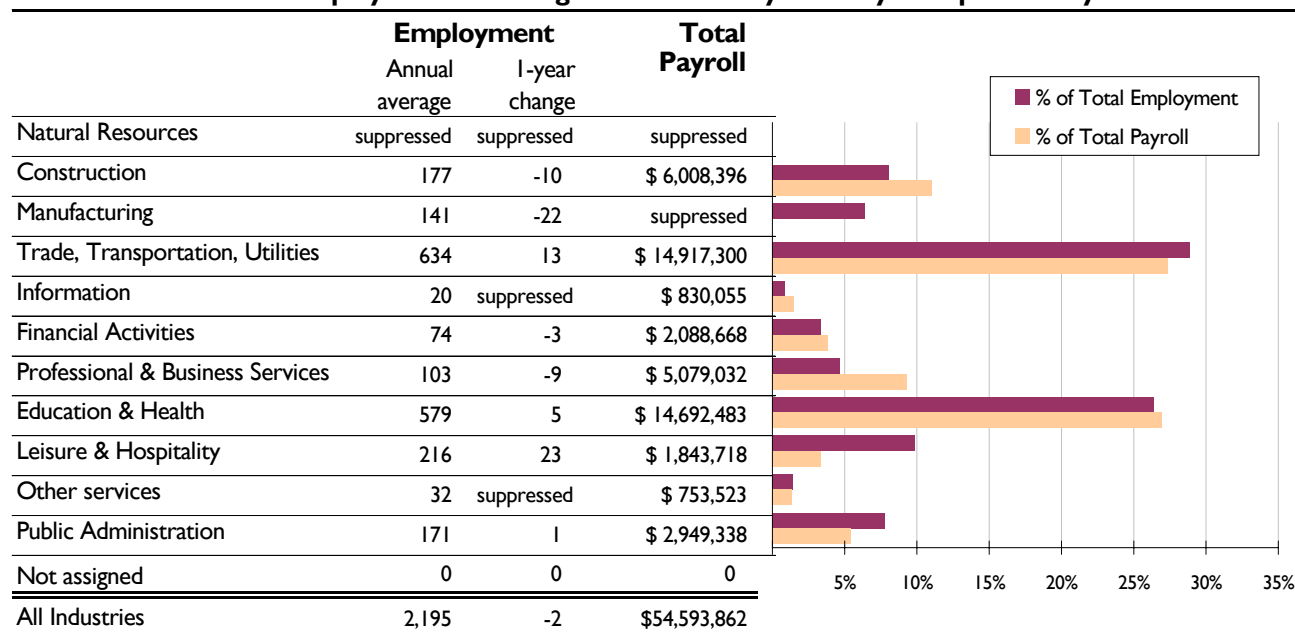
	Average Annual Wage Wisconsin	Average Annual Wage Pepin County	Percent of Wisconsin	1-year % change
All Industries	\$ 33,423	\$ 24,872	74.4%	1.1%
Natural resources	\$ 25,723	suppressed	Not avail	Not avail.
Construction	\$ 40,228	\$ 33,946	84.4%	-1.8%
Manufacturing	\$ 42,013	\$ 31,232	74.3%	2.1%
Trade, Transportation, Utilities	\$ 28,896	\$ 23,529	81.4%	4.4%
Information	\$ 39,175	\$ 41,503	105.9%	Not avail.
Financial activities	\$ 42,946	\$ 28,225	65.7%	7.0%
Professional & Business Services	\$ 38,076	\$ 49,311	129.5%	9.3%
Education & Health	\$ 35,045	\$ 25,376	72.4%	1.2%
Leisure & Hospitality	\$ 12,002	\$ 8,536	71.1%	1.0%
Other services	\$ 19,710	\$ 23,548	119.5%	Not avail.
Public Administration	\$ 35,689	\$ 17,248	48.3%	0.7%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

and technical jobs generally have higher wages than clerical and service occupations).

The distribution of total payroll and employment for the major industry groups in Pepin County is detailed in the chart below. Trade, transportation and utilities provides the greatest share of jobs, 29 percent, also has the highest payroll. The second highest payroll is with education & health services employers, which in this case also includes public education, who provide 26 percent of the county's jobs. Both industry groups added jobs in 2003.

### 2003 Employment and Wage Distribution by Industry in Pepin County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004



## Per Capita Personal Income

Per capita personal income (see glossary) increased 3.2 percent in Pepin County in 2002, faster than in the United States, Wisconsin and other non-metropolitan counties in the state. Even with the increase, the PCPI in the county is 82 percent of PCPI in Wisconsin and 79 percent of the United States. The Pepin County PCPI ranks 42<sup>nd</sup> out of 72 counties in the Wisconsin.

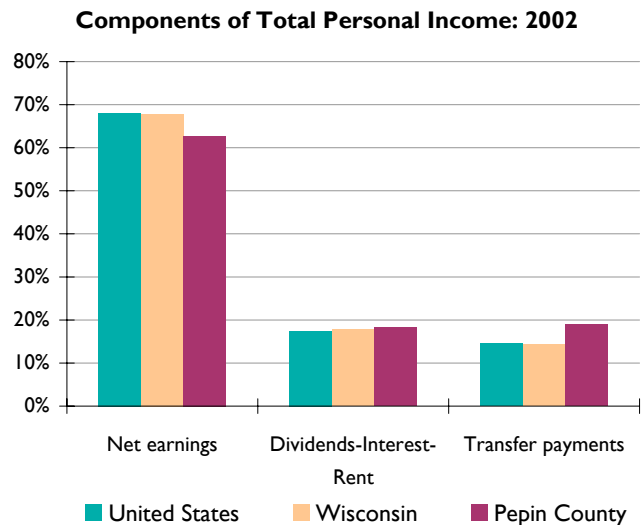
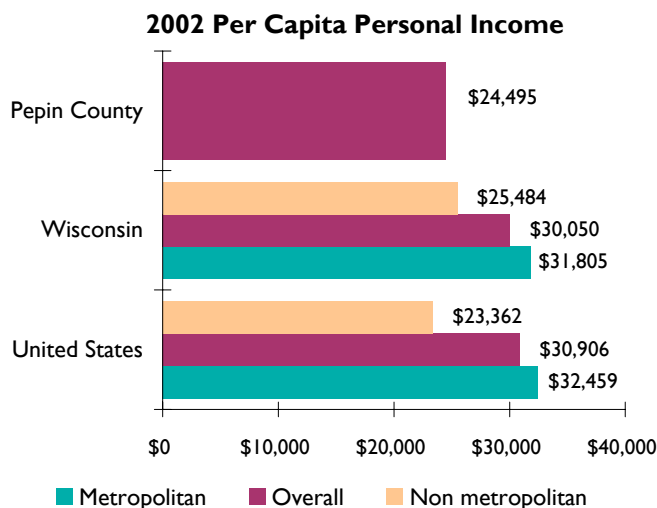
The greatest share of total personal income is net earnings from jobs, both in and out of the county, self-employment and proprietorships. Not only are the county's annual average wages considerably lower than in Wisconsin, but the share of

total personal income from net earnings of 63 percent in Pepin County is below the 68 percent of both the state and nation. In contrast, transfer payments comprise a much larger share of the county's total personal income. Both factors contribute to the lower PCPI in the county.

While PCPI is often used as a comparative income measure it should be remembered that population is also a key component. PCPI is the result of dividing total income by total population. Residents over 18 years old earn most income but the younger population is still included in the formula. Likewise, a retired population has a much lower earning capacity.

	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Non-metropolitan WI	\$20,734	\$22,195	\$22,900	\$24,059	\$24,833	\$25,484	2.6%	22.9%
Pepin County	\$19,980	\$21,607	\$22,115	\$23,115	\$23,735	\$24,495	3.2%	22.6%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Non-metropolitan WI	\$23,240	\$24,497	\$24,728	\$25,135	\$25,226	\$25,484	1.0%	9.7%
Pepin County	\$22,395	\$23,847	\$23,880	\$24,149	\$24,111	\$24,495	1.6%	9.4%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

Beverly Gehrke  
15618 Windrose Lane #108  
Hayward, WI 54843  
Phone: 715-634-5289  
email: [Beverly.Gehrke@dwd.state.wi.us](mailto:Beverly.Gehrke@dwd.state.wi.us)



**Metropolitan Statistical Area (MSA)** - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

**Non-metropolitan county** - Any county that is not a member of a metropolitan statistical area.

**Net Migration** - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

**Natural Change** - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

**Fertility rate** - Number of live births per 1,000 women aged 15-44 years.

**Employed** - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

**Unemployed** - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

**Labor Force** - The sum of the employed and unemployed, whom are at least 16 years of age and older.

**Unemployment Rate** - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

**Labor Force Participation Rate (LFPR)** - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

**Suppressed** - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

**Total Personal Income** - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

**Per Capita Personal Income (PCPI)** - Total personal income divided by the total population.

**Current Dollars** - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

**CPI-U** - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.